

ROUTING AND TRANSMITTAL SLIP		Date
		29 SEPT 86
TO: (Name, office symbol, room number, building, Agency/Post) MS/DDA		Initials Date
1. EXA/DDA	OCT 1986	JK 10/1
2. ADDA		
3. DDA		al
4. DDA Reg.		
5.		
Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

## REMARKS

243? oh & o it advised! we will  
work out funding arrangements  
w/ camp



cc: D/OA  
D/OIT

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

Room No.—Bldg.

Phone No.

5041-102

\* U.S.G.P.O.: 1983-421-529/320

OPTIONAL FORM 41 (Rev. 7-76)  
Prescribed by GSA  
FPMR (41 CFR) 101-11.206

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## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Proposal to Consolidate Maintenance Contracts  
Covering Wang Workstations and Terminals

FROM:

William F. Donnelly  
Deputy Director for Administration

EXTENSION

NO.

DDA 86-1633

DATE

24 September 1986

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S  
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Executive Director  
7D55 Hqs Bldg.

29 SEP 1986

✓

Jim:

1. Unless you perceive an objection, I would like to proceed to implement Option 1 in the attached memorandum from OL.

2. Please see the note from the Comptroller in ink immediately under this page.



William F. Donnelly

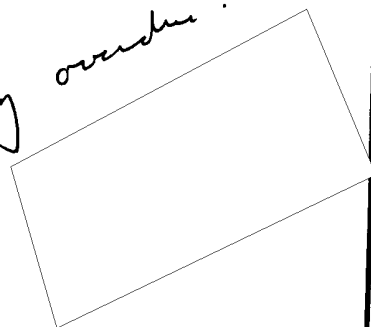
Att:

Memo fm OL

*Bill - lets do it -  
long overdue.*9. Deputy Director for  
Administration  
7D18 Hqs Bldg.

✓ WA

OK - let's do this!!



45-3

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DD/A  
86-1545

## ROUTING AND RECORD SHEET

COMPT 86-1195

SUBJECT: (Optional)

FROM:

William F. Donnelly  
Deputy Director for Administration

NO.

DATE 9 September 1986

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S  
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Comptroller  
7C21 Hqs Bldg

9/22/86

[Signature]

Danny:

1. For several reasons I agree with Option 1 in the OL memorandum. I think two contracts for handling our relationship with Wang in the metro area would be constructive. Any step which might save up to \$1M will look good in FY-87.

2. Having said this, in the long run, does centralizing the budgeting for Wang maintenance in OIT make it a target for Congressional budget cuts? Some arrangement by which the money is acquired in a dispersed manner and then consolidated after the fiscal year begins might deal with this political concern.

3. What are your views on this topic? Do you support consolidation, taking into consideration OIT's caveats?

[Signature]  
William F. Donnelly

Att:

OL, OF, OIT Memos

**CONFIDENTIAL****ROUTING AND RECORD SHEET**

SUBJECT: (Optional)

FROM: John M. Ray  
Director of Logistics

EXTENSION

NO.

OL 12063-86



OIT/TRIS

DATE

LOGGED

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Director of Finance  
1212 Key Building

11 Aug 86 C

2.

3. D/OIT  
2D00 Headquarters

4.

Bdy JH

5. ~~Controller~~  
~~7D21 Headquarters~~

6.

7. DDA  
7D24 Headquarters

9 Sept 86 WST

8.

9. ~~CONTROLLER~~  
~~7C 21 HQS.~~

10.

11.

12.

13.

14.

15.

OIT has taken action to  
prepare a response for  
DDA signature.**CONFIDENTIAL**

CONFIDENTIAL

86-1195

~~OIT 0769-86~~

06 AUG 1986

MEMORANDUM FOR: Deputy Director for Administration

VIA: Comptroller  
Director of Information Technology  
Director of FinanceFROM: John M. Ray  
Director of LogisticsSUBJECT: Consolidation of Maintenance Contracts  
Covering Wang Workstations and Terminals

25X1  
25X1

1. The purpose of this memorandum is to request your assistance in reducing the paperwork and costs associated with contracting for maintenance of Wang workstations and terminals. The cost of maintaining Wang workstations and terminals has steadily increased. So far this fiscal year, Procurement Division has issued an estimated [ ] contract actions with an estimated dollar value of [ ]. These figures cover maintenance costs for both classified and unclassified contracts.

25X1  
25X1

2. We have had several meetings with Wang corporation officials to discuss ways to reduce our maintenance costs and to decrease the administrative burdens associated with our current practices. Wang has agreed to offer the Agency a volume discount based upon the dollar value of one or two contracts as opposed to the approximately [ ] contracts which are currently in existence. Consolidation of the [ ] contracts into two contracts, one classified and the other unclassified, offers much benefit to the contractor and to the Agency. We are very much interested in the opportunity to negotiate a volume discount with Wang and to realize a reduction in the overhead costs associated with the issuance, administration, and settlement of contracts. In order to achieve these objectives, we recommend that one of the three options set forth below be implemented:

OL 12063-86



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Next 1 Page(s) In Document Denied

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12 August 1986

MEMORANDUM FOR: Director of Logistics

25X1 FROM:



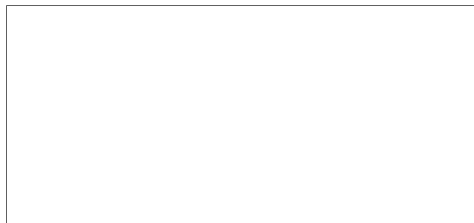
Acting Director of Finance

SUBJECT: Consolidation of Maintenance Contracts Covering Wang  
Workstations and Terminals

REFERENCE: OL 12063-86 Subject Same

The Office of Finance (OF) endorses option one per the referenced memorandum, with the understanding that OF will transfer the required funds for Wang maintenance to the Office of Information Technology (OIT) until such time that the appropriate funds may be programmed into OIT's budget.

25X1



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OIT 0769-86

29 August 1986

25X1 MEMORANDUM FOR: [REDACTED]  
DDA Management Staff

25X1 FROM: [REDACTED]  
Chief, Management Division, M&CG/OIT

25X1 SUBJECT: Consolidation of Maintenance Contracts  
Covering Wang Workstations and Terminals [REDACTED]

REFERENCE: Memo for the DDA, frm D/OL, same subject,  
dtd 6 Aug 1986, OL 12063-86

25X1 1. The Office of Information Technology (OIT) agrees that  
Option 1 of the Reference, with certain caveats described below,  
would be most advantageous to the Government. Consolidation of the  
Agency's Wang maintenance contracts would result in an estimated  
25X1 savings of almost [REDACTED] dollars. In addition, a significant  
amount of internal paperwork would be avoided. This resource  
25X1 savings could be achieved through consolidation of the [REDACTED] or so  
existing contracts into a handful of new contracts. OIT is in a  
position to manage these consolidated contracts with no additional  
resources. A practical mechanism must, however, be designed to  
gather up existing component funds in a way that makes them  
25X1 available to OIT for use on the new consolidated Wang contracts.  
[REDACTED]

25X1 2. To achieve the savings, we would like to propose the  
following approach for FY 1987. The Comptroller, prior to making  
the Fiscal Year allotment, should transfer component funds  
sufficient to meet Wang maintenance requirements for the component  
to the OIT budget. These funds will be fenced in the OIT budget;  
i.e., the funds will not be subject to OIT internal reprogramming  
nor externally mandated cuts. These fenced monies must also not be  
used in computing any OIT-wide percentage cut. Fencing is required  
because Wang maintenance is a bill that must be paid and OIT has  
not budgeted to subsidize component Wang maintenance. We also  
recognize that fenced monies that are unused at the end of the  
Fiscal Year will revert to the Comptroller to meet Agency-wide  
25X1 requirements. [REDACTED]

25X1 3. One problem is the method of estimating the required

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component funding. In FY 1987, we propose that FY 1986 actual expenditures on Wang maintenance (as obtained from the OL CONIF database) be transferred to OIT. Due to the discount for consolidation there will be a surplus with respect to maintaining the FY 1986 inventory. This surplus will be used to fund equipment installed in FY 1986, for which only partial maintenance expenditures were incurred, and equipment installed in FY 1987. Use of the surplus will forestall the requirement for components to continually transfer funds to OIT throughout the Fiscal Year (via Forms 1716) as new equipment requires maintenance. These transfers would be an unacceptable administrative burden. It should be noted that any funding shortfalls in the OIT consolidated account must be considered an Agency problem and not an OIT problem. Once again, we cannot agree to this approach if it requires OIT to subsidize the maintenance of Agency equipment when we have not budgeted for those services. [redacted]

4. We will attempt to budget for Wang maintenance as soon as feasible (FY 1990). In FY 1988 and FY 1989, the Comptroller will be called upon to continue to consolidate Wang maintenance monies in a fenced account in the OIT budget. [redacted]

5. OIT requests that the DDA Management Staff negotiate with the Comptroller to implement these procedures. Due to the considerable funds involved (e.g., [redacted] in the DDS&T, and [redacted] in the DDO), there may well be significant component resistance. We believe the Comptroller should confront component concerns about the loss of Base resources directly: it will definitely result in considerable Agency-wide saving and a reduction in the OL and OF workloads and, in the short run, direct component savings should be achieved. [redacted]

6. Thank you for your help with this matter. If you have any questions on the above approach, please do not hesitate to contact me [redacted] OIT B&F Officer or our Wang Action Officer, [redacted]

[redacted]

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